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OGC 60-0021

29 Jan 60

Executive Registry

60-750

3 JAN 1960

MEMORANDUM FOR: Assistant to the Director

SUBJECT: Investigation of Crimes Involving Government Officers and Employees

1. I am returning the Cabinet Paper - Record of Action of the meeting of Friday, December 18, 1959. That portion relating to investigation of crimes involving Government officers and employees under 5 U.S.C. 311(a) concerns this Agency, but I do not see any requirement for a report to the Secretary to The Cabinet. In case any report should be called for, the situation is as follows:

When this criminal provision was under consideration by the Congress in 1954, we pointed out to the Department of Justice that the requirement for immediate reporting presented certain serious security problems in the field of covert operations. After considerable discussion with the Criminal Division of Justice, we talked to Mr. Rogers, then the Deputy Attorney General, and achieved an understanding that where a violation of Federal law involves confidential matters relating to foreign intelligence activities investigation thereof will be conducted by or at the direction of the Director of Central Intelligence with such subsequent referral or liaison with the Department of Justice as the results of his investigation may indicate. When the bill was coordinated by the Bureau of the Budget for recommendation to the President, we wrote that we would not object to it because of our agreement with the Attorney General, and we sent a copy of this statement to the Attorney General saying that if we had in any way misconstrued his position we would appreciate being informed in this regard. We received no answer to this letter. Therefore, we proposed an Agency notice requiring that any information relating to any crimes involving Agency officers, employees,

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OGC Has Reviewed

(EXECUTIVE REGISTRY FILE)

consultants, or agents be reported immediately to the General Counsel with a copy to the Inspector General without waiting for the completion of any investigation. This office is then responsible for coordinating and making recommendations on referral to the Department of Justice. The Director did not wish to make this a regular Agency notice, and on 7 March 1955 he signed a memorandum (copy attached) to the Inspector General, Deputy Director (Plans), Deputy Director (Intelligence), and Deputy Director (Support) setting forth the provisions about reporting and the responsibility of this office and making the heads of major components responsible for insuring that the purposes of that memorandum were carried out.

2. I believe the above-mentioned memorandum complies with the agreement reached at the Cabinet Meeting on December 18th that it is important that each Agency head call the attention of his chief subordinates to the requirements of P. L. 725. The Cabinet Paper also says that he should call the attention of his chief subordinates to the Attorney General's memorandum of November 13, 1959 (copy attached). As I am forwarding copies of my paper with its attachments to the Inspector General and the Deputy Directors, I believe we have complied with this Directive also.

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LAWRENCE R. HOUSTON
General Counsel

Attachments

cc: DDCI
IG
DD/P
DD/I
DD/S
Colonel Grogan
Director of Security

C
O
P
Y

SECRET

ER 6-6849

7 March 1955

MEMORANDUM FOR: Inspector General
Deputy Director (Plans)
Deputy Director (Intelligence)
Deputy Director (Support)

SUBJECT: Information or Allegations Concerning Criminal
Acts on the Part of Agency Personnel

1. The Department of Justice is the arm of the Government charged with the responsibility for investigating and taking action on any information or allegations of any violation of Federal criminal statutes by persons employed by or connected with the Government. I, on the other hand, am responsible by law for the protection of intelligence sources and methods from unauthorized disclosure. It is obvious that if a criminal act were committed which involved information relating to intelligence sources and methods these responsibilities would be in conflict. I have established the policy that if the investigation and action on any information or allegation of violation of criminal law arising in connection with Agency operations does not involve a risk of compromise to the security of such operations or of intelligence sources or methods which would outweigh the benefits to be derived from prosecution, this Agency will cooperate with the Department of Justice in line with the latter's responsibility. The Department of Justice, on the other hand, has recognized that where legitimate security considerations would prevent prosecution or other appropriate action, investigation by them might well be in violation of my statutory responsibilities.

2. In order to maintain this satisfactory relationship, it is essential that we give immediate consideration to the question of disclosure to the Department of Justice on the receipt of any allegation or information of any violation of criminal law arising in connection with any matter under the jurisdiction of this Agency. Accordingly, any information, allegation, or complaint relating to any crimes involving Agency officers, employees, consultants, or agents shall be reported immediately upon receipt to the General Counsel with a copy to the Inspector General without waiting for the completion of any investigation. The General Counsel shall be responsible for obtaining concerted Agency action on each such case and for making recommendation to me on Agency action in relation to the Department of Justice.

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3. I do not consider this a matter appropriate for an Agency regulation, but the heads of major components will be responsible for assuring that the purposes of this memorandum are carried out.

s/

ALLEN W. DULLES
Director

SECRET

OFFICE OF THE ATTORNEY GENERAL
WASHINGTON, D. C.

November 13, 1959

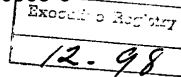
MEMORANDUM TO THE HEADS OF ALL DEPARTMENTS AND
AGENCIES IN THE EXECUTIVE BRANCH OF THE GOVERNMENT

To achieve fully the objectives sought by the reporting requirements of Public Law 725, 83d Congress, 2d Session (5 USC 311a), and the responsibilities of this Department detailed in the Act, I feel it appropriate to communicate periodically with all interested Departments and Agencies concerning the provisions of the measure. I invite your attention again to the terms of the Act and the continuing importance of reporting timely all complaints to this Department.

As you know, this statute directs the head of every Department and Agency to report promptly to the Attorney General information, allegations or complaints relating to violations of Title 18, United States Code by officers and employees of the Government unless exempted by the terms of the statute or unless otherwise directed by the Attorney General. While not minimizing other offenses in Title 18, it was urged that special emphasis be placed on those offenses relating to fraud on the Government, misappropriation, robbery or theft of Government property or funds, misfeasance or malfeasance in office and other transgressions of a similar nature.

Being always alert to the responsibilities of this enactment will insure continued prompt investigation and prosecution and thus serve to maintain high standards of integrity in government operations.

/s/ William P. Rogers
Attorney General



CABINET PAPER—PRIVILEGED

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RA -59-144

December 21, 1959

The White House

Washington

THE CABINET

Record of Action

The following are the agreements reached on the items presented at the Cabinet meeting of Friday, December 18, 1959:

1. Investigation of Crimes Involving 5 USC 311(a)
Government Officers and Employees

- ACTION: a) The Cabinet noted the Attorney General's personal reminder in relation to his memorandum to department and agency heads of November 13, 1959. It was agreed it was most important that each department and agency head should call the attention of his chief subordinates to this memorandum and to the requirements of Public Law 725, since the information required to be given to the Attorney General is often known first at subordinate levels within the agencies.
- b) The following points of application and interpretation were clarified by the Attorney General:
- i) The requirement to inform the Attorney General is not merely with respect to proven violations; the law reads "Any information, allegation or complaint". Such "information", however, should be of substance and not mere gossip or rumor.
 - ii) What is involved are possible violations of law (Title 18 of the United States Code), not merely violations of Departmental regulations. The arrangements under reference here are not for purposes of internal discipline.
 - iii) The requirement applies to consultants and to members of public advisory committees, providing that the possible violation is a crime under Title 18. (Conflict of interest problems of the type set forth in 5 USC 99 should also be reported, but as a separate matter from this statutory mandate.)
 - iv) This requirement applies to all "Government employees" whatever their citizenship or location. If there is a question about "local" employees hired abroad, the U.S. agency involved should nonetheless make the required report to the Department of Justice.
 - v) The Department of Justice will, of course, review and, where necessary, investigate the reports it receives and furnish the results to the reporting department or agency.

CABINET PAPER

For Action

CABINET PAPER—PRIVILEGED

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2. Report on the Work of the President's Committee on Government Contracts

CI - 59-65

- ACTION: a) The Cabinet complimented the Committee on Government Contracts and its staff on the effective way in which they have labored in an area where progress, though slow, is of truly great importance to the health of our economy and to the conduct of our foreign relations.
- b) The Executive Vice Chairman of the Committee will bring to the attention of the Director of the U.S. Information Agency the specific suggestions for action by USIA which were made by the Vice President, the Acting Secretary of State, the U.S. Representative to the United Nations and other Cabinet members.
- c) Arrangements will be made for an early report to the Cabinet from the President's Committee on Government Employment Policy.
- d) The Secretary of Labor, the Secretary of Health, Education, and Welfare and the Attorney General will consult and develop a policy paper for the Cabinet:
- i) identifying the programs under which any Federal funds dispensed to states or localities are being used in state or local activities where racial discrimination is involved;
 - ii) setting forth the factors and alternatives involved in each case and making suggestions as to how best to ensure the prevention of un-American discrimination, taking into consideration the over-all objectives of the programs involved.

3. Report and Follow-Through on His Recent Trip (Chairman Morton)

- ACTION: a) Additional aspects of the above subject will be presented at a later Cabinet meeting in the near future.
- b) The Assistant to the President will make arrangements for a central office for the coordination of 1960 speech acceptances by department and agency heads.

Robert Gray
Secretary to the Cabinet

Approved by the Vice President
December 21, 1959

CABINET PAPER

For Action

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM

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| UNCLASSIFIED | CONFIDENTIAL | SECRET |
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**CENTRAL INTELLIGENCE AGENCY
OFFICIAL ROUTING SLIP**

| TO | NAME AND ADDRESS | INITIALS | DATE |
|----|----------------------|----------|------|
| 1 | Mr. Lawrence Houston | | |
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| <input type="checkbox"/> ACTION | <input type="checkbox"/> DIRECT REPLY | <input type="checkbox"/> PREPARE REPLY |
| <input type="checkbox"/> APPROVAL | <input type="checkbox"/> DISPATCH | <input type="checkbox"/> RECOMMENDATION |
| <input type="checkbox"/> COMMENT | <input type="checkbox"/> FILE | <input type="checkbox"/> RETURN |
| <input type="checkbox"/> CONCURRENCE | <input type="checkbox"/> INFORMATION | <input type="checkbox"/> SIGNATURE |

Remarks:

Per our conversation.

FOLD HERE TO RETURN TO SENDER

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| FROM: NAME, ADDRESS AND PHONE NO. | DATE |
| Asst. to Director | 12/28/59 |